

# HOUSE BILL No. 1579

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-11-1-2; IC 20-39-1-1.

**Synopsis:** School accounting. Requires, not later than January 1, 2018, that a school corporation use consistently applied United States generally accepted accounting principles (GAAP) for the school corporation's accounting, budgeting, and reporting.

**Effective:** July 1, 2015.

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**VanNatter**

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January 20, 2015, read first time and referred to Committee on Education.

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First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1579

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A BILL FOR AN ACT to amend the Indiana Code concerning education.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 5-11-1-2, AS AMENDED BY P.L.176-2009,  
2       SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2015]: Sec. 2. **(a)** The state board of accounts shall formulate,  
4       prescribe, and install a system of accounting and reporting in  
5       conformity with this chapter, which must comply with the following:  
6       (1) Be uniform for every public office and every public account  
7       of the same class and contain written standards that an entity that  
8       is subject to audit must observe.  
9       (2) Exhibit true accounts and detailed statements of funds  
10      collected, received, obligated, and expended for or on account of  
11      the public for any and every purpose whatever, and by all public  
12      officers, employees, or other individuals.  
13      (3) Show the receipt, use, and disposition of all public property  
14      and the income, if any, derived from the property.  
15      (4) Show all sources of public income and the amounts due and



1 received from each source.

2 (5) Show all receipts, vouchers, contracts, obligations, and other  
3 documents kept, or that may be required to be kept, to prove the  
4 validity of every transaction.

5 The state board of accounts shall formulate or approve all statements  
6 and reports necessary for the internal administration of the office to  
7 which the statements and reports pertain. The state board of accounts  
8 shall approve all reports that are published or that are required to be  
9 filed in the office of state examiner. The state board of accounts shall  
10 from time to time make and enforce changes in the system and forms  
11 of accounting and reporting as necessary to conform to law.

12 **(b) Not later than January 1, 2018, the state board of accounts**  
13 **shall formulate or approve all statements and reports necessary for**  
14 **a school corporation to comply with IC 20-39-1-1(b).**

15 SECTION 2. IC 20-39-1-1, AS AMENDED BY P.L.280-2013,  
16 SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
17 JULY 1, 2015]: Sec. 1. **(a) Subject to subsection (b)**, all public school  
18 governing bodies, except a charter school organizer, shall adopt and  
19 fully and accurately implement a single, unified accounting system as  
20 prescribed by the state board and the state board of accounts.

21 **(b) Not later than January 1, 2018, a school corporation shall**  
22 **use consistently applied United States generally accepted**  
23 **accounting principles (GAAP) as developed by the Financial**  
24 **Accounting Standards Board for all school corporation accounting,**  
25 **budgeting, and reporting. The school corporation shall provide to**  
26 **the governing body accounting reports that use consistently**  
27 **applied United States generally accepted accounting principles on**  
28 **a regular basis.**

